This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 TAIPEI 004799

SIPDIS

STATE PASS AIT/W

E.O. 12958: N/A TAGS: PGOV TW

SUBJECT: TAIWAN'S DECEMBER ELECTION: KMT SWEEPS "THREE-IN-ONE ELECTIONS"

REF: TAIPEI 2490

- (U) Summary. The Kuomintang (KMT) scored a landslide victory in Taiwan's island-wide local elections Saturday, December 3. The opposition party won 51 percent of the vote cast to the ruling Democratic Progressive Party's (DPP) 42 percent, 14 out of 23 county magistrate and city mayor seats contested, gaining 5 new seats including the single biggest prize, Taipei County. In lower level elections held the same day, the KMT topped the DPP in all but one country council race and won over half of township and village chief races. While the KMT celebrates its first victory under party Chairman Ma Ying-jeou, the DPP has vowed to reexamine and reform itself. End Summary.
- (U) On December 3, Taiwan held local "three-in-one" elections for (1) county magistrates and city mayors, (2) county and city councilors, and (3) township and village chiefs. The county magistrate and city mayor elections, viewed as an island-wide contest between ruling and opposition parties, received most of the media coverage. With an overall voter turnout rate of 66 percent, Kuomintang (KMT) county magistrate and city mayor candidates won 51 percent of the vote and 14 of 23 seats (up from 9 in 2001) while the DPP won 42 percent of the vote and held on to only 6 (down from 9) seats. The KMT garnered 51 percent of votes for county magistrate/city mayor up dramatically from its 35 percent of the vote and 9 seats in 2001. The DPP won 42 percent of votes this year down from 45 percent in 2001.

KMT: Resounding Victory

13. (U) Most noteworthy were KMT wins in three previously green strongholds -- Taipei and Ilan Counties in the north and Chiayi City in the south. The KMT broke the DPP 16-year hold on Taipei County, viewed by both sides as the key race and a strategic district heading into the 2008 presidential election, with candidate Chou Hsi-wei winning 55 percent of KMT candidate Lu Kuo-hua won a close race with 51 the vote. percent of the vote to retake Ilan County, considered "sacred territory" by the DPP which had ruled the country for 24 years. In southern Chiayi City, KMT candidate Huang Ming-hui took the city for the KMT for the first time in 38 years.

DPP: Humiliating Defeat

14. (U) The DPP's biggest setback was losing Taipei County. After 16 years of DPP rule, DPP candidate Luo Wen-jia, dragged down by the continuing news of DPP scandals and by last-minute vote-buying allegations, only received 44 percent of votes. In addition to Ilan County and Chiayi City, the DPP also lost its hold on Changhua and Nantou Counties, both located in central Taiwan. In Nantou County, an independent candidate, who withdrew from the DPP after failing to win the nomination, complicated the election for the DPP's Tsai Huang-lang and may have split the Green vote. The one bright spot for the DPP was its win in Yunlin County, noteworthy since the KMT has ruled Yunlin for 50 years. DPP Chairman Su Tseng-chang, who promised to step down if the DPP failed to

hold Taipei County or to win 10 seats at the county magistrate/city mayor level, has resigned. Premier Frank Hsieh has also offered to resign. Although the DPP admits that a cabinet reshuffle will occur, no specific announcements have been made.

The End of Coalitions?

15. (U) This election may have marked the end of the Pan-Blue (pro-unification) and Pan-Green (pro-independence) coalitions which have dominated Taiwan politics since 2000. The KMT' Pan-Blue partner, People's First Party (PFP), won a meager 1.11 percent of the total vote, while the DPP's Pan-Green partner, Taiwan Solidarity Union (TSU), won just 1.13 percent of the vote. This apparent sidelining of the more fundamentalist elements of the coalitions reinforces earlier projections that a two-party political system is in the process of emerging in Taiwan (reftel). At the lower level, the PFP did slightly better (3 percent of the vote) while the

TSU again won barely one percent of votes cast.

SIPDIS
The Rest of the Election: KMT Sweep

16. In the rest of the three-in-one election, KMT won big. Of 901 city and county council seats at stake, KMT won 409, DPP 192, PFP 31, NP 2, TSU 11, and Independents 256. The KMT also won over half 173 of the 319 township mayor races in the 18 counties; DPP won only 35; PFP won 3, and TSU 0. The DPP won a majority of council seats only in Chiayi County.

## Comment

17. (C) The December 3 election results closely followed the course of the Chuoshui River running east-west between Yunlin and Changhua Counties, which has long been considered the traditional divide in Taiwan politics between the pro-independence "Blue" parties to the north and the "Green" pro-independence "Green" parties to the south. It was noteworthy, however, that the Kuomintang won most of its 14 races north of the Chuoshui (except for Ilan County) by fairly large margins, whereas the DPP won its elections to the south by much narrower margins (except for Kaohsiung and Chiayi Counties). The results, viewed by the KMT as a referendum on Ma's first months as Chairman, have boosted the party's and Ma's confidence. The DPP, discouraged and disappointed, is trying to couch the loss as "good for democracy" and has vowed to reexamine and reform itself. Septel we will consider what caused the dramatic turn-around in the fortunes of the DPP and KMT and what it may portend.